rates for export production. The scheme was introduced initially for glass and ceramics sector. The scheme had stipulated that units whose cost of furnace oil formed at least 25 per cent of the total cost of production would be eligible to avail of the benefits of this scheme. This scheme was in force till 30th September, 1988.

Chemicals and Allied Products Export Promotion Council representing the industry have submitted that the industry could not taken advantage of the scheme announced earlier as the eligibility criterion of the cost of furnace oil forming 25 per cent of the total cost of production was on the higher side and on this plea they represented that this criterion should be revised to 15 per cent so that more manufacturers/exporters of glass and ceramic products could take advantage of the scheme. The Council has been asked to submit additional information for full examination of the proposal.

Modification of Export Policy

1082. SHRI RAOOF VALIULLAH: Will the Minister of COMMERCE be pleased to state:

(a) whether Government will modify the present export policy to include value added items hitherto not exported from the country;

(b) whether any survey has been undertaken to identify select items of wood to earn additional foreign exchange;

(c) whether Government will consider export of small and medium size machine-finished sandal wood products and sawn timber; if so, the details thereof; and

(d) whether Government will initiate measures for export of such products through State Handicrafts Development Corporations or State Export Corporations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) At present there is no such proposal under consideration of the Government to modify export policy to include other value-added items for export.

(b) No, Sir.

(c) According to the current Import-Export Policy, export of handicrafts made of sandal wood is allowed on the basis of a certificate from the All India Handicrafts Board that the minimum value addition is of 300 per cent of the average base price of sandal wood per MT etc. However, sandal wood in form of dust, chips (subject to certain conditions) Flakes and powder are allowed for export under OGL-3. There is no proposal under Government's consideration to allow export of small and medium size machine-finished sandal wood products and sawn timber.

(d) Does not arise.

Export of Granite

1083. SHRI RAOOF VALIULLAH: Will the Minister of COMMERCE be pleased to state:

(a) whether exports of granite are given the facility of blanket FE permit and if not, what are the reasons when similar products are admissible for the scheme;

(b) what is the total export of granite in the form of cut dimensional blocks, slabs and tiles and whether granite is classified as select export product; and

(c) what are the reasons for which granite is equated with bulk metallic ore for the purpose of exoprt and whether other support measures have been identified to boost export of this value added item?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Exporters of all minerals are eligible for drawal of foreign exchange under Reserve Bank of India's Blanket Foreign Exchange Permit scheme under the discretionary list of products eligible for foreign exchange.

(b) Exports of Granite in the form of cut dimensional blocks, slabs, tiles etc. during the year 1987-88 is provisionally placed at 90 crores. Distinction between the select and non-select export products has been dispensed with and under the Import Policy for 1988—91, exports of cut and polished granite qualify for export promotion.

(c) Granite is classified as a minor mineral under the Mines and Minerals (Regulation and Development) Act, 1957. Other support measures identified for boosting export of this value added item include grant of 100 per cent Export Oriented Unit status to minerals including granite.

Export of Leather Footwear

1084. SHRI RAOOF VALIULLAH: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that leather footwear industry has been extended the benefit of import of machinery equipment under OGL at concessional rate of duty whereas the same facility has not been extended to rubber and canvas footwear industry; if so, what are the reasons thereof;

(b) what is the annual total export of leather footwear and rubber/canvas footwear at present and what is the growth targeted for the next few years for both the items; and

(c) whether Government feel that modernisation and expansion of production of rubber/canvas footwear industry would lead to a substantial rise in their exports; if so, whether his Ministry would recommend measures in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) **Yes, Sir. This facility has been extended** to leather footwear as leather and leather goods industries have been identified as an export thrust sector whereas rubber and canvas footwear does not fall in this category.

(b) Export figures of leather footwear and rubber/canvas footwear are given below:—

(Value : Rs. crores)

Year	Leather footwear	Rubber/ canvas footwear
1987-88	128.03	6.80
1988-89	200.00 (target)	10.00 (target)
April-Dec., 88	73.50 (Provisional)	4.55 (Provisional)

No export target for 1989-90 and subsequent years for leather footwear and rubber/canvas footwear has been fixed.

[*Source*: Council for Leather Exports and Chemicals and Allied Products Export Promotion Council].

(c) A proposal made in this respect by the Industry is under examination.

Loan from Japan for Airbus A-320

1085. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have approved a Japanese loan worth $ 250 million towards the purchase of Airbus A-320; and